EXHIBIT 2

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XTO--Berkley - A. Arnold.pdf

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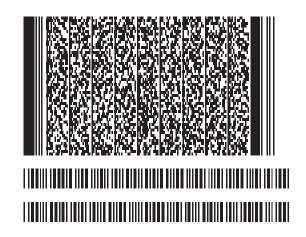
E-Signature 1: Allen Eugene Arnold (AA)

April 23, 2020 14:43:08 -8:00 [7E3A4463CBFB] [68.227.104.245] Allen_Arnold@xtoenergy.com (Principal) (Personally Known)

E-Signature Notary: Tiffany Thrasher (TNT)

April 23, 2020 14:43:08 -8:00 [088634384D7F] [165.97.32.2] tiffany.thrasher@haynesboone.com

I, Tiffany Thrasher, did witness the participants named above electronically sign this document.



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IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NORTH DAKOTA WESTERN DIVISION

BERKLEY NATIONAL INSURANCE § § COMPANY, § § § Plaintiff, C.A. NO. 1:18-CV-00195 v. § XTO ENERGY, INC. 8 8 8 8 8 Defendant, Counter-Plaintiff and Third-Party Plaintiff, v. COMMERCE AND INDUSTRY INSURANCE COMPANY, TORUS § NATIONAL INSURANCE COMPANY § n/k/a STARSTONE NATIONAL INSURANCE COMPANY, and SENECA SPECIALTY INSURANCE COMPANY, § § Third-Party Defendants.

AFFIDAVIT OF ALLEN ARNOLD

Allen Arnold, being duly sworn, upon oath states as follows:

- 1. My name is Allen Arnold. I am over twenty-one years of age, have never been convicted of a felony, and am fully competent to testify to the matters set forth in this affidavit. The facts contained in this affidavit are based on my personal knowledge, and are true and correct.
- 2. I am Safety, Security, Health and Environmental Manager for XTO Energy, Inc. ("XTO"). I have 46 years of experience in the oil and gas industry, including drilling, production, completions, operations and safety, both outside and within XTO and Exxon Mobil Corporation. I have held the position of Safety, Security, Health and Environmental Manager since 2018. Prior to this role, I was Completions Operations Manager for XTO from 2015 to 2018. From 2011 to

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2015, I held the title of Operations and Engineering Manager. In total, I have been with

XTO/Exxon since 1982.

3. XTO conducts significant oil and gas operations throughout North Dakota. Among

other things, it owned and was the lease operator of a producing oil and gas well located

approximately eight miles east of Watford City, North Dakota at a drilling pad known as Ryan

14X-09E (the "Ryan Well"). As owner and lease operator of the Ryan Well, XTO did not rent or

loan the Ryan Well to any third-party.

On or about June 18, 2016, an explosion and fire occurred at the Ryan Well,

injuring or killing several people. XTO made every effort to mitigate the incident upon learning of

it on June 18, 2016, including but not limited to, shutting down all operations at the Ryan Well,

maintaining security onsite immediately after the incident, and ensuring equipment was not

tampered with in preparation for the investigation of the incident. My experience and background

provide me, both from an engineering and practical standpoint, with an understanding of how

accidents in the oil and gas industry occur. Because of my expertise and background, XTO

assigned me to investigate the incident that occurred at the Ryan Well immediately after it

occurred.

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5. On or about June 19, 2016, the day after the incident, I began my investigation of

the Ryan Well incident. During my investigation, I visited the well site where the incident occurred

and examined the scene. I also personally spoke with the non-injured contractors that were present

when the incident occurred. As part of my investigation, I also assisted and collaborated with

Austin Wells and Srinivasa Koneti with T H Hill Associates as part of their investigation that was

outlined in the investigation report submitted to the Occupational Safety and Health

Administration.

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6. Through the investigation, it was determined that the accident occurred when the mechanical snubbing equipment that controlled the tubulars within the well was inadvertently defeated, resulting in the tubulars unexpectedly being ejected from the well and causing the unintended ignition of hydrocarbon gas. The gas was most likely ignited by heat generated by the collision tubing and the elevator slips, which resulted in an instantaneous ignition causing flames to immediately engulf the elevated snubbing basket and workover rig operator stand. My investigation included a post incident examination, forensics testing of the equipment, witness interviews, and review of witness descriptions and information conveyed from the employers of

7. Daniel Dickout, an employee of subcontractor Colter Energy Services USA, Inc., provided a witness statement describing the explosion and fire at the Ryan Well on June 18, 2016. Attached as Exhibit 2-A is a true and correct copy of Daniel Dickout's witness statement.

the workers involved in the work at the time of the incident.

- 8. Lyman Yazzie, an employee of subcontractor Colter Energy Services USA, Inc., also provided a witness statement describing the explosion and fire at the Ryan Well on June 18, 2016. Attached as Exhibit 2-B is a true and correct copy of Lyman Yazzie's witness statement.
- 9. On June 21, 2017, Tom Jones, an employee of subcontractor Badlands Consulting, LLC, was interviewed by OSHA regarding the Ryan Well incident. Attached as Exhibit 2-C is a true and correct copy of the Tom Jones Interview Statement with OSHA.
- 10. On May 9, 2017, Ociel Rodriguez, an employee of subcontractor Weatherford U.S. L.P., provided deposition testimony regarding the Ryan Well incident. Attached as Exhibit 2-D is a true and correct copy of Ociel Rodriguez's deposition testimony.
- 11. OSHA commissioned an investigation through T H Hill Associates to investigate the Ryan Well incident. Attached as Exhibit 2-E is the T H Hill Report dated December 15, 2016.

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12. On June 18, 2016 and June 21, 2016, the North Dakota Office of Attorney General Fire Marshal Division also conducted an investigation of the Ryan Well incident. Attached as

Exhibit 2-F is a true and correct of the Fire Investigation Report.

13. On December 12, 2017, Carson Dokken, an employee of subcontractor Missouri

Basin Well Service Inc., provided deposition testimony regarding the Ryan Well incident.

Attached as Exhibit 2-G is a true and correct copy of Carson Dokken's deposition testimony.

14. Based on my investigation, it was determined that the serious burn injuries to three

individuals and a fall that fatally injured one person resulted from the explosion and fire described

above.

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FURTHER, AFFIANT SAYETH NOT.

Allen Eugene Arnold

Allen Arnold

Subscribed and sworn to before me this 23rd day of ___April_ _, 2020.





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